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REPORT
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DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS BILL, 1988

AUGUST 4, 1988.—Ordered to be printed

Mr. STENNIS, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 5026]

The Committee on Appropriations, to which was referred the bill (H.R. 5026) making dire emergency supplemental appropriations for the fiscal year 1988, and for other purposes, reports the same to the Senate with various amendments and with the recommendation that the bill be passed.

BUDGET SUMMIT AGREEMENT

On November 20, 1987, after extensive negotiations between the congressional leadership and members of the administration, a budget summit agreement was concluded on a 2-year plan requiring $76.1 billion in deficit reductions and specific levels of discretionary spending for fiscal years 1988 and 1989. The budget summit agreement provided that the President and the Congress could initiate supplemental appropriations in the case of a dire emergency. It is the view of the Committee that such a case of dire emergency exists for the programs addressed in H.R. 5026.

DIRE EMERGENCY CRITERIA

The Committee has determined that the following criteria must be met for the inclusion of projects, programs, and activities in this dire emergency supplemental appropriations bill:

One, must be out of funds now or will be out of funds before the new fiscal year begins;

Two, must be high priority;

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Three, must not create budget act points of order; and

Four, must substantially comply with budget summit agreement.

Any fiscal year 1989 outlay impact of new discretionary funds in this dire emergency supplemental appropriations bill will be worked out in conference on this or the pertinent individual fiscal year 1989 appropriations bill.

SUMMARY OF THE BILL

This bill, as recommended by the Committee, provides a total of $421,036,000 in net new budget authority for dire emergency supplemental funding necessary for the continuation of essential programs for the fiscal year ending September 30, 1988. It also includes adjustments in fiscal year 1988 funds necessary to allow an efficient use of the limited resources available.

In making its recommendations, the Committee considered supplemental estimates submitted by the administration.

The Committee's recommendations are discussed in detail in the body of this report.

TITLE I—DIRE EMERGENCY PROGRAM SUPPLEMENTALS

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

The Committee recommends that no additional funds be provided for employment service State grants. The additional amount included by the House, to provide $50,000,000 over the 1988 appropriation for employment service State grants, is not considered by the Committee to be a dire emergency need. The funding does not provide for required payments under existing law, prevent accrual of Government liability, or arise from an unforeseen emergency situation, nor is it due to uncontrollable increased workload. The Congress has already provided $64,000,000 over the administration request for State employment service grants as a part of the regular 1988 appropriation process for a total of $723,029,000. The Committee is of the opinion that, in consideration of budget constraints and the absence of any emergency, any further increase for this program is not appropriate at this time.

The Committee has recommended a fiscal 1989 level for the State employment service of $773,029,000. This is $94,529,000 above the administration request and will provide for the needs of the State employment service as presented to the Committee.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

(TRANSFER OF FUNDS)

The Committee concurs with the House in recommending bill language to permit the transfer of funds to the "Advances to the unemployment trust fund and other funds" account. The "Advances to the unemployment trust fund and other funds" account is established by law to provide funds to cover shortfalls in the black lung and trade adjustment assistance entitlement benefits. The source of the transferred funds is unexpended balances in the "Advances to the Employment Security Administration" account. The "Employment Security Administration" account includes funds in excess of current projected program needs.

All funds to be provided are for mandatory benefit and allowance payments, which are now overdue.

For the black lung program, an estimated $43,000,000 is needed to prevent disruption of mandatory benefit payments. Already, the Secretary of Labor has informed the Committee that retroactive benefit payments are being withheld, and it is anticipated that medical payments

will soon be withheld unless urgent action is taken to enact this supplemental request.

For Trade Act benefits, the Labor Department estimates $49,000,000 will be needed to prevent disruption of unemployment compensation to nearly 26,000 individuals. All States have already exhausted funds and urgent action is needed to avoid prolonging the hardship that has already been caused for thousands of beneficiaries and their families.

The Committee directs the Department of Labor to work with the Governor of the State of Hawaii in order to ensure that fiscal 1988 appropriations targeted to address the pressing unemployment concerns of American Samoans are appropriately utilized. The Committee further expects the State of Hawaii to consult with the State of California about the best approach to address the needs of American Samoans in California.

Small Business Administration

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

The Committee recommends $10,300,000 for SBA salaries and expenses to be derived by transfer from the business loan and investment fund.

DEPARTMENT OF TRANSPORTATION

Coast Guard

OPERATING EXPENSES

(TRANSFER OF FUNDS)

The Committee recommends $60,000,000, $48,000,000 of which is derived by transfer, for operating expenses. This additional funding will support the resumption of the prior year's level of discretionary sea and air patrols. The Committee expects that this increase in patroling will help to improve the Coast Guard's performance with respect to its maritime safety, drug interdiction, general law enforcement, and other missions.

Federal Aviation Administration

GRANTS-IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION)

The Committee has also approved the rescission of $12,000,000 in contract authority under the airport grants-in-aid program in order to offset the $12,000,000 in new budget authority provided for Coast Guard operating expenses. The funds rescinded would not have been

available in any case for obligation within the obligation ceiling enacted for fiscal 1988.

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES

SALARIES AND EXPENSES, U.S. MARSHALS SERVICE

(TRANSFER OF FUNDS)

The Committee recommends a supplemental appropriation of $3,500,000 for the U.S. Marshals Service, salaries and expenses to prevent a deficiency in the appropriation resulting from the forced headquarters relocation. The supplemental funding is derived by transfer of $3,500,000 from the Immigration and Naturalization Service, salaries and expenses appropriation account. The House bill does not provide for this item.

SUPPORT OF U.S. PRISONERS

(INCLUDING TRANSFER OF FUNDS)

The Committee recommends a supplemental appropriation of $23,300,000 for the support of U.S. prisoners, of which $8,300,000 is derived by transfer from Immigration and Naturalization Service, salaries and expenses. The supplemental funding is necessary to prevent a deficiency in this account resulting from the increased volume of unsentenced Federal prisoners in State and local facilities.

IMMIGRATION AND NATURALIZATION SERVICE TRANSFERS

For the purposes of funding through Immigration and Naturalization Service [INS] transfers, the Committee directs the INS to review and reassess all "Salaries and expenses" accounts, including the legalization program. It is not the intent of the Committee to reduce the hiring initiatives for the Border Patrol.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

The Committee concurs with the House provision of $6,000,000 under this account.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The Committee concurs with the House provision of $42,609,000 under this account.

FEDERAL PRISON SYSTEM

BUILDING AND FACILITIES

The Committee recommends that no additional funds be provided to reconstruct Federal Prison Industries plants destroyed in the Mariel Cuban prisoner riots on the grounds that, although this reconstruction program is important, it is not a dire emergency requiring funding in this bill.

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

EMERGENCY DROUGHT AUTHORITY

The Committee has approved language directing the Corps of Engineers to use available funds and authority to address emergency conditions in the Mississippi River basin and tributary regions, including the Atchafalaya River basin, and to reduce the serious and potential catastrophic impacts on water supplies and commercial navigation.

Critical navigation problems have already developed on the Mississippi River and water supplies for all uses, including residential and commercial, are at a critical low. In addition, it should be pointed out that the normal low flow period of the Mississippi does not occur until the fall months. The threat of saltwater intrusion into the drinking water supplies of communities along the lower Mississippi River is now a reality and, given the future outlook, could escalate.

Therefore, the Corps is directed to prepare a backup system to provide for the transportation and distribution of potable water for populations served by municipal water systems contaminated by saltwater intrusion.

In addition, the Corps of Engineers is directed to use available funds and authority to assist States in emergency operations to provide potable drinking water to distressed communities, particular Louisiana parishes, where the existing water supplies are threatened by saltwater contamination. These emergency operations include, but are not limited to, barging untainted river water to existing water treatment facilities, modifying such existing water treatment facilities to allow for offloading of barges, and purchasing transportable clean water tanks to allow for the capability to transport and store potable water at distribution sites in affected communities.

The Committee has also approved language expressly stating that no additional authority is provided to the Corps of Engineers in relation to the Great Lakes or reservoirs at the headwaters of the Mississippi River.

DEPARTMENT OF AGRICULTURE

ADMINISTRATIVE PROVISION

The Committee concurs with the House provision requiring the Department of Agriculture to use all authority in existing law to aid farmers in dealing with the effects of the current drought and other financial difficulties which they are experiencing.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

(TRANSFER OF FUNDS)

The Committee concurs with the House provision of $45,427,000 under this account, but has inserted a provision which states that of the amount of money provided, the portion that is made available to county committees shall remain available until expended. This provision is added in order to conform this account to the manner in which it is treated in regular appropriations acts.

SOIL CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

(TRANSFER OF FUNDS)

The Committee concurs with the House provision of $10,000,000 under this account for emergency watershed protection operations.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

The Committee is concerned that the Food and Drug Administration [FDA] is encountering new problems frequently in its effort to protect the Nation's blood supply and to prevent the spread of the deadly AIDS virus. New problems with respect to the Nation's blood supply arose in March 1988 and require FDA to increase substantially its expenditures to inspect this blood supply. Accordingly, $5,500,000 is being added to the contingency fund established for FDA to deal with unanticipated product emergencies, and it is the Committee's intention that this fund also be available to FDA to pay for extraordinary and unanticipated expenses, including personnel, associated with FDA's efforts to combat AIDS and protect the blood supply. These funds are to remain available until expended.

FUNDS APPROPRIATED TO THE PRESIDENT

DEPARTMENT OF STATE

U.S. Emergency Migration and Refugee Assistance Fund

In its consideration of H.R. 5026, the House provided for a supplemental appropriation of $24,000,000 for the U.S. Emergency Migration and Refugee Assistance Fund. This Committee, operating under the more restrictive constraints which pertain to Senate actions under the Congressional Budget and Impoundment Control Act of 1974, and subsequent iterations and modifications known collectively as Gramm-Rudman-Hollings, is not in a position to make a similar recommendation. While we strongly support the provision of emergency assistance to refugees in the Soviet Union, and to those in Africa and Asia, the provision of supplemental appropriated funds for these (or any other activities under the jurisdiction of the Foreign Operations Subcommittee) would be subject to a point of order in the Senate, because the recommended funding would be in excess of the Committee's allocation of budget authority and outlays to the Foreign Operations Subcommittee under section 302(b) of the Budget Act.

Soviet refugees.—As is well known, unrest and disaffection with the dominance of the government in Moscow has led to a significant and unexpected increase in the number of Soviet Armenians who have sought to emigrate from the Soviet Union. The positive response of the Soviet Government to these exit visa applications has had the effect of depleting funds which were budgeted for assistance to refugees from the Soviet Union. As a consequence, the Department of State has suspended the processing of visa applications for the remainder of fiscal year 1988, an action which effectively stops the emigration of not only Soviet Armenians but also Jews and others who seek to flee cultural, religious, and political repression in the Soviet Union.

The Committee regards this situation as a human tragedy which mars the honor and reputation of the United States. The failure of the President to exercise authorities given to him by the Congress under the Foreign Assistance Act cannot be masked by ineffectual excuses that budgeted funds have been exhausted. The failure to act to support these refugees by transferring funds from other accounts under the direct control of the President sends a terrible signal to those seeking freedom all over the world. Those who placed their faith in the belief that the United States would rescue them if only they would demand that their government set them free now are in a limbo imposed by the failure of our Government to act. The Committee calls on the President to exercise his authorities to provide assistance for these unfortunate people.

The Committee notes that in addition to the Soviet applicants whose processing has been delayed for lack of funding, there are approximately 5,000 Eastern Europeans awaiting interviews in Vienna, Rome, and Frankfurt. Some of these applicants have been waiting for a year. The Committee urges that the Department of State make all feasible

economies in order to permit the processing of some of these Eastern Europeans in addition to applicants within the Soviet Union.

African and Asian refugees.—Another unanticipated problem which requires the exercise of Presidential authorities is the dramatic increase in the number of refugees seeking refuge in countries in Africa and Asia. Recent congressional inquiries into the refugee situation in countries neighboring Mozambique have indicated that the flight of refugees from broad-scale terrorist activities in Mozambique has increased over 40 percent above the original estimates for this year. The same can be said about the number of refugees fleeing Ethiopia and seeking a safe haven in the Sudan. In Asia, refugees fleeing Vietnam and Cambodia have again placed a heavy burden on international relief efforts in Thailand.

It must be underscored that in each of these refugee situations conditions are much worse than anticipated when the Congress acted on fiscal year 1988 appropriations. In fact, the requirement for additional assistance exceeds the balances available in the Emergency Migration and Refugee Assistance Fund. The current requirement is estimated by the U.N. High Commissioner for Refugees and the International Red Cross at approximately $100,000,000 and appeals have gone to the international donor community for this assistance, with the U.S. share set at approximately $30,000,000. To reach this goal, $18,000,000 in additional funding would have to be added to the current balances in the emergency fund.

As noted above, the Committee would be subject to a point of order were it to recommend additional supplemental appropriations. We would have to propose offsetting reductions in appropriations already provided in fiscal year 1988 for Funds Appropriated to the President. However, the Committee recognizes the disruptive effect such rescissions of funding would have on ongoing programs, particularly this late into the fiscal year. It is the President and his subordinates in the executive branch who have the day-to-day knowledge of the obligation of funds and it is the President and his subordinates who can best determine which accounts should be reduced to meet the compelling need for additional funding of the Emergency Migration and Refugee Assistance Fund. Therefore, the Committee calls upon the President to exercise his existing authorities to transfer funds into the emergency fund to meet these unforeseen refugee emergencies.

DEPARTMENT OF COMMERCE

Bureau of the Census

PERIODIC CENSUSES AND PROGRAMS

The Committee recommends language which would change this appropriation to a no-year rather than an annual account to correct an error in the fiscal year 1988 Department of Commerce appropriation. This proposal would not affect outlays. The House bill does not provide for this item.

DEPARTMENT OF DEFENSE—MILITARY

ADMINSTRATIVE PROVISION

As requested by the President, the Committee has provided for the transfer of not more than $22,600,000 to the Federal Bureau of Investigation for increased workload due to the INF Treaty implementation.

DEPARTMENT OF STATE

ADMINISTRATIVE PROVISION

The Arms Control and Disarmament Amendments Act of 1987 (Public Law 100–213) provided that the inspector general of the Department of State shall also serve as the inspector general of the Arms Control and Disarmament Agency [ACDA]. However, it was also required that ACDA reimburse the Department of State for the work of the inspector general. However, this requirement was enacted subsequent to the approval of ACDA's budget for fiscal 1988 which did not make provision for this reimbursement which is estimated to reach $100,000. ACDA is also coping with the increased costs associated with the negotiations in Geneva. The inspector general has indicated that he does not require reimbursement for fiscal year 1988 and the Committee recommends waiving section 6 for fiscal year 1988. There is no outlay impact associated with this recommendation.

OTHER INDEPENDENT AGENCIES

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

The Committee recommendation would remove an earmark of $12,000,000 included in the Foreign Relations Authorization Act for a low priority relay station refurbishment project in Portugal, and would also remove language in the 1988 continuing resolution that deferred $20,000,000 in outlays until fiscal year 1989. Radio Free Europe/Radio Liberty, Inc. [RFE/RL] urgently needs the use of these funds to maintain its current broadcast operations. Without enactment of these proposals, RFE/RL would be compelled to make costly borrowings from employee pension funds.

In accordance with section 202 of Public Law 100–119, the outlays from this $20,000,000 will now occur in fiscal 1988 instead of fiscal 1989 as originally expected.

VETERANS ADMINISTRATION

COMPENSATION AND PENSIONS

The Veterans Administration is requesting a supplemental appropriation of $498,100,000 for compensation and pension payments in fiscal year 1988. Of that amount, $479,600,000 is for compensation payments,

$13,300,000 is for pension payments, and $5,200,000 is for burial benefit payments. The amount heretofore provided by the Congress for these programs in fiscal year 1988 is $14,334,287,000.

The Committee recommends a supplemental appropriation of $296,500,000, a reduction of $201,600,000 in the budget request. This is the total amount allowable under the terms of the Budget Act for fiscal year 1988. The House did not consider this item in the context of this measure. The amount provided will partially accommodate cost increases due to the Veterans Compensation Cost-of-Living Adjustment Act of 1987, increasing compensation for spouses and children and providing an increased veterans clothing allowance. The funding will also assist the VA in providing for greater than anticipated caseload and average benefit levels as well as the rescheduling of certain compensation payments into 1988.

The Committee notes that the amount provided will allow the VA to pay approximately 75 percent of the individual payments due beneficiaries on September 30, 1988. The Committee directs the VA to make such partial payments rather than no payments at all despite the fact that insufficient funds are available to pay 100 cents on the dollar.

TITLE II—GENERAL PROVISIONS

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill "which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

The Committee recommends in its amendments to H.R. 5026 transfers for certain operations of the U.S. Coast Guard for which authorization for fiscal 1988 has not passed the Senate this session and which lack enacted authorization.

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

In the opinion of the Committee, it is necessary to dispense with the requirements of this subsection to expedite the business of the Senate.

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1988	NA	421	NA	172
Projections of outlays associated with budget authority recommended in the bill:				
1988				172
1989				27
1990				282
1991				-13
1992 and future year				-47
Financial assistance to State and local governments for 1988 in the bill		6		4

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES RECOMMENDED IN THE BILL

House Doc.	Item	Budget estimates	House bill	Senate Committee recommendation	Senate Committee recommendation compared with (+ or -) Budget estimates	Senate Committee recommendation compared with (+ or -) House bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	TITLE I—DIRE EMERGENCY PROGRAM SUPPLEMENTALS					
	DEPARTMENT OF LABOR					
	Employment and Training Administration					
.....	State unemployment insurance and employment service operations (limitation on trust fund transfer)	.....	($50,000,000)	.....	.....	(-$50,000,000)
	SMALL BUSINESS ADMINISTRATION					
100-176	Salaries and expenses (by transfer)	($13,000,000)	(15,300,000)	($10,300,000)	(-$2,700,000)	(-5,000,000)
	DEPARTMENT OF TRANSPORTATION					
	Coast Guard					
.....	Operating expenses	.....	.....	12,000,000	+12,000,000	+12,000,000
100-176	(By transfer)	(60,000,000)	(60,000,000)	(48,000,000)	(-12,000,000)	(-12,000,000)
	Federal Aviation Administration					
.....	Grants-in-aid for airports (Airport and airway trust fund) rescission of contract authority	.....	.....	-12,000,000	-12,000,000	-12,000,000
	DEPARTMENT OF JUSTICE					
	Legal Activities					
100-214	Salaries and expenses, U.S. Marshals Service (by transfer)	(3,500,000)	.....	(3,500,000)	.....	(+3,500,000)
.....	Support of U.S. prisoners	.....	15,000,000	15,000,000	+15,000,000	.....

100–214						
100–176	(By transfer)	(15,000,000)		(8,300,000)	(–6,700,000)	(+8,300,000)
.....	Salaries and expenses, Community Relations Service		6,000,000	6,000,000	+6,000,000	.....
100–176	(By transfer)	(6,000,000)	.....	.....	(–6,000,000)	.....
	Federal Prison System					
.....	Salaries and expenses	.....	42,609,000	42,609,000	+42,609,000	.....
100–176	(By transfer)	(42,609,000)	.....	.....	(–42,609,000)	.....
.....	Buildings and facilities	.....	46,050,000	.....	.....	–46,050,000
	Total, Department of Justice	.....	109,659,000	63,609,000	+63,609,000	–46,050,000
	(By transfer)	(67,109,000)	.....	(11,800,000)	(–55,309,000)	(+11,800,000)
	DEPARTMENT OF AGRICULTURE					
	Agricultural Stabilization and Conservation Service					
.....	Salaries and expenses (transfer from Commodity Credit Corporation)	.....	(45,427,000)	(45,427,000)	(+45,427,000)	.....
	Soil Conservation Service					
.....	Watershed and flood prevention operations (by transfer)	.....	(10,000,000)	(10,000,000)	(+10,000,000)	.....
	DEPARTMENT OF HEALTH AND HUMAN SERVICES					
	Food and Drug Administration					
.....	Salaries and expenses	.....	.....	5,500,000	+5,500,000	+5,500,000
	FUNDS APPROPRIATED TO THE PRESIDENT					
	Department of State					
.....	U.S. emergency migration and refugee assistance fund	.....	24,000,000	.....	.....	–24,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES RECOMMENDED IN THE BILL

House Doc.	Item	Budget estimates	House bill	Senate Committee recommendation	Senate Committee recommendation compared with (+ or -) Budget estimates	Senate Committee recommendation compared with (+ or -) House bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	DEPARTMENT OF DEFENSE—MILITARY					
	Administrative Provision					
100-176	Salaries and expenses, Federal Bureau of Investigation (transfer to Department of Justice)	($22,600,000)		($22,600,000)		(+$22,600,000)
	OTHER INDEPENDENT AGENCIES					
	VETERANS ADMINISTRATION					
100-176	Compensation and pensions	498,100,000		296,500,000	-$201,600,000	+296,500,000
	Grand total:					
	New budget (obligational) authority	498,100,000	$133,659,000	365,609,000	-132,491,000	+231,950,000
	Rescission of contract authority			-12,000,000	-12,000,000	-12,000,000
	(By transfer)	(162,709,000)	(130,727,000)	(148,127,000)	(-14,582,000)	(+17,400,000)